

Building an Affordable California Act

Summary of Proposed Ballot Measure (AG# 25-0023A1) for AEP Members

Introduction

California Chamber of Commerce is sponsoring this statewide 2026 ballot measure to streamline the California Environmental Quality Act (CEQA) review for essential projects.

Stated Purpose

Modernize and streamline state law to reduce bureaucratic delays and costs for essential projects including housing, clean energy, water, healthcare, education, public safety, broadband, and transportation infrastructure through compressed timelines, streamlined alternatives analysis, and restricted judicial review.

What Projects Qualify as Essential Projects

Essential Housing (Some Labor Standards)

- Residential-only developments and mixed-use developments (at least 50-67% residential depending on specific criteria), transitional housing, emergency shelters, farmworker, group living, student housing, senior housing (55+)
- Subdivisions and residential conversions from commercial
- Special provision: Owner liability for wage claims during construction; prevailing wage only for buildings over 85 feet

Essential Clean Energy (Labor Standards Required)

- Renewable generation/storage (solar, wind, geothermal, small hydro ≤ 30 MW, fuel cells, ocean energy) plus associated transmission, clean hydrogen projects, carbon capture, transport, and storage
- Transmission/distribution system upgrades identified in state plans

Essential Water (Labor Standards Required)

- Public water systems and systems supplying public water systems, State Water Resilience Portfolio projects
- Excludes Delta conveyance facilities

Essential Public Health (Labor Standards Required)

- Health facilities (hospitals, skilled nursing facilities), clinics and medical offices

Essential Public Safety (Labor Standards Required)

- Fire stations, Police/sheriff stations (excluding jail portions)
- Wildfire risk reduction projects

Essential Broadband (Labor Standards Required)

- Mass-market retail internet service (wire/wireless/radio) capable of transmitting/receiving data to all internet endpoints (excludes dial-up)

Essential Education Facilities (Labor Standards Required)

- Acquisition, construction, expansion, remodeling, renovation, improvement, furnishing, or equipping of educational facilities
- Includes facilities for school districts, community colleges, CSU, UC, charter schools, and private colleges in the Association of Independent California Colleges and Universities

Essential Transportation (Labor Standards Required)

- Highway/street/road projects, mass transit, bridges, transit stations, park-and-ride facilities, bike/pedestrian facilities, EV charging and refueling infrastructure
- Excludes high-speed rail project

Related Infrastructure

- All related and ancillary infrastructure required to serve essential projects

Exclusions

- Jails or detention facilities
- New oil or natural gas production facilities

Labor Standards

Skilled and trained workforce, prevailing wage, apprenticeship ratios, and project labor agreements (for projects costing \$25M+). Only essential housing projects have limited labor standards (prevailing wage only for buildings over 85 feet; owner liability for wage claims during construction).

Tribal Consultation Requirements

Initial Screening Process

- Triggers upon preliminary application, written notice, or application
- Applicant must provide project details
- Lead agency conducts records search within 20 days (Sacred Lands File, CHRIS, agency records)
- Meet and confer between Consulting Tribe, lead agency, and applicant
- Process concludes if Consulting Tribe doesn't respond within 30 days or when formal consultation begins

Formal Tribal Consultation

- Lead agency must provide technical information, data, maps
- Draft environmental documents provided to Consulting Tribes
- Tribal traditional knowledge must be incorporated; if not used, lead agency must explain in environmental documents
- Written agreements become enforceable conditions of project approval
- Confidentiality

Treatment and Protection

- Avoidance and preservation in place shall be considered when requested
- If not feasible, lead agency must demonstrate with substantial evidence and consider culturally appropriate mitigation

- Inadvertent discovery measures required when requested by Consulting Tribe

Approval Requirements

Lead agency may only approve essential project when: (1) tribal consultation concluded in good faith; (2) agreed-upon measures included as enforceable conditions; and (3) if avoidance not feasible, basis documented with substantial evidence and other minimization measures incorporated.

Key Definitions

- Consulting Tribe: Federally recognized tribe with California trust/reservation land, traditionally and culturally affiliated with project area
- Timelines for tribal consultation remain unchanged from existing CEQA law

Major Process Changes

Application Completeness

- Public agency has 30 days to determine completeness or deemed complete
- If incomplete, agency provides exhaustive written corrections list
- Applicant has 90 days to submit revisions addressing corrections list
- Agency has 30 days to review revisions; failure to respond = deemed complete
- Determinations appealable to planning commission/director/highest authority

Compressed Environmental Review Timelines

- Agency decides EIR vs. ND/MND vs. exemption within 30 days of application
- EIR certification: 365 days maximum from complete application
- Negative declarations: 180 days maximum
- Exemption determinations: 90 days maximum
- Deadlines extended only upon written request from applicant

Permit Decisions and Enforcement

- Other public agency actions: 90 days from complete application (or 1 day after lead agency approval, whichever is later)
- State agencies may extend 90 days for evidentiary hearings
- If agencies miss deadlines: Applicants can force public hearings with mandatory decisions within 60 days (for environmental review) or 45 days (for other actions)
- Applicants may bring civil action challenging failures, denials, or unlawful conditions within 90 days

Public Comment Periods

- Negative declarations: 20 days (vs. current 30+ days)
- Draft EIRs: 45 days (unchanged from current law)
- Comment periods cannot be tolled or extended except by court order
- If hearing continued, public comment period closes and does not reopen

Limited Administrative Record

Administrative record only includes:

- Comments received during official public comment periods

- For determinations without comment periods: comments received at least 48 hours before hearing
- For hearings/appeals: comments at least 48 hours prior on issues that couldn't have been raised during comment period due to changes/new information
- Oral testimony at noticed and recorded public hearings
- All lead agency and applicant responses

Streamlined Alternatives Analysis (Optional)

Applicants may use optional preliminary scoping process:

- Pre-application written notice with preliminary project overview
- At least two meetings between applicant and lead agency
- Lead agency posts notice on website; applicant maintains record of public input
- Completed within 60 days

If using optional scoping, only 3 alternatives required in EIR:

- Proposed project
- One applicant-developed alternative (compatible with project's fundamental purpose; doesn't need different site)
- No-project alternative (considers reasonably foreseeable conditions without project)

Regulatory Freeze

- Projects judged against existing laws as of application submission date
- Updates to California Building Standards Code apply if effective before environmental review completes or building permit submitted
- Applicants may elect to vest into published thresholds of significance existing at application date

Judicial Review Restrictions

Dramatically Shortened Litigation Timeline

- 30-day statute of limitations to file challenges (vs. typical 180 days)
- 270-day total timeframe for all litigation including appeals

Changed Legal Standards

- Substantial evidence standard only (eliminates abuse of discretion and independent judgment review)
- Claims limited to non-compliance with objective existing laws
- For public participation procedures: arbitrary and capricious standard, must show prejudicial error

Severely Limited Remedies

- Courts cannot order rescission of project approval
- Courts may only require supplemental environmental review for specific deficiencies
- Court must identify which project parts/phases need new study; other parts may proceed

- Once deficiency corrected, case dismissed - no further challenges allowed
- Minor modifications not creating new significant impacts cannot be challenged

Injunctive Relief

Courts may issue temporary injunction only upon clear and convincing evidence of:

- Specific, adverse impact upon public safety
- No feasible method to satisfactorily mitigate or avoid the impact

Flexibility and Implementation

Applicant Options

- Applicants may use none, some, or all provisions of this chapter
- May combine with or use as alternative to other streamlining laws

Application to Pending Projects

- Applications submitted before effective date may be withdrawn and resubmitted

Phasing and Components

- If essential project is portion of larger project, that portion may be processed under this chapter
- Essential projects may be implemented in multiple phases; phased applications not required to individually meet essential project criteria

Other Provisions

Statewide Preemption

Declares streamlining a matter of statewide concern; state occupies the field.

Future Amendments

Legislature may amend by two-thirds vote if consistent with and furthers purposes of chapter. Bills must be printed and distributed at least 12 business days before passage.

Effective Date

Takes effect day after election results are certified if measure passes; applicable to all pending and future agency and judicial processes.

Conflicting Measures

If this measure receives more affirmative votes than another measure on essential projects on same ballot, this measure shall prevail in entirety and other measure(s) shall be null and void.